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Co. Ltd.

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المساهمة العامة المحدودة

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ص.ب 8663 عمان 11121 الأردن

Our Ref :- .....

Your Ref:-.....

Date:- .....

اشارتنا :- 2019 / ١١ / ١٦١١

اشارتكم:-.....

التاريخ:- 2019 / ١١ / ٢٧

السادة/ هيئة الأوراق المالية .... المحترمين

عمان

تحية وبعد ،،،

الموضوع : البيانات المالية باللغة الإنجليزية الربع الثالث /2019

نرفق لكم لكم طيه البيانات المالية كما في 2019/9/30 باللغة الإنجليزية مصادق عليها من المدقق الخارجي حسب الأصول.

وتفضلوا بقبول فائق الاحترام،،،

شركة فيلادلفيا للتأمين

للمساهمة العامة المحدودة

المدير المالي

بورصة عمان
الدائرة الإدارية والمالية
الديوان
٢٨ شرفه ٢٠١٩
الرقم التسلسلي: ٥٢١٥
رقم الملف: ٢٠١٨
الجهة المختصة: التفتيش

**Philadelphia Insurance co**  
**Public Shareholder company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Condensed interim consolidated financial statements**  
**as of September 30, 2019**

**Philadelphia Insurance co**  
**Public Shareholder company**  
**Amman - The Hashemite Kingdom Of Jordan**

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## Report on the review of the condensed interim Consolidated financial statements

715 19 04

To the Board of Directors of

Philadelphia Insurance Co. (P.S.C)

Amman - The Hashemite Kingdom of Jordan

### Introduction:

We have reviewed the accompanying condensed interim Consolidated financial statements of **Philadelphia Insurance Co. (P.S.C)** comprising of condensed interim Consolidated statement of financial position as at 30 September 2019, and the related condensed interim Consolidated statements of income, condensed interim Consolidated statements of comprehensive income, changes in equity and cash flows for nine-month period ended 30 September 2019 and the related explanatory notes.

The management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with IAS 34 – (interim Financial Reporting). Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

### Scope of review:

We conducted our review in accordance with International Standard on Review 2410 "Review of Condensed interim Financial Information Performed by the Independent Auditor of the Entity". A review of the condensed interim financial information consists of making inquiries primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with international Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion:

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects in accordance with IAS 34.

### Other Matters

Consolidated condensed interim financial statements were prepared for purpose of the Securities Commission and the Insurance Department.

Al Abbasi & Partners Co.

  
Ahmed M. Abbasi

License No. 710



Amman in

31 October 2019

**Philadelphia Insurance co**  
**Public Shareholder company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Condensed interim consolidated financial position As of September 30,2019**

Reviewed not audited

	Note	30-Sep-2019 JD (Reviewed)	31-Dec-2018 JD (Audited)
<b>Assets</b>			
Deposits at banks	4	5,731,347	6,487,521
Financial assets at fair value through income statement	5	13,256	15,172
Financial assets at fair value through other comprehensive income statement	6	401,180	408,922
payment Investments		11,186	11,186
<b>Total investments</b>		<b>6,156,969</b>	<b>6,922,801</b>
Cash on hand & at banks		299,901	155,543
Notes receivable & cheques under collection		258,543	231,127
Accounts receivable - net	7	1,369,357	1,567,052
Due from other reinsurers - net	8	1,321,873	910,772
Property , plant & equipments - net		256,206	263,791
Deferred tax assets		12,326	-
Intangible assets - Net		2,046	1,377
Other assets		250,846	213,681
<b>Total</b>		<b>3,771,099</b>	<b>3,343,343</b>
<b>Total assets</b>		<b>9,928,068</b>	<b>10,266,144</b>
<b>Liabilities and owners' equity</b>			
<b>Liabilities</b>			
Unearned premium provision - net		2,779,936	2,552,984
Outstanding claims provision - net		1,960,744	2,172,839
<b>Total technical provisions</b>		<b>4,740,680</b>	<b>4,725,823</b>
<b>Liabilities</b>			
Accounts payable	9	287,768	387,531
Accrued expenses		7,027	35,360
Due to other reinsurers	10	367,967	442,950
Other allocation		36,516	36,516
Provision for income tax	11	-	-
Other liabilities		1,202,381	525,777
<b>Total technical provisions &amp; liabilities</b>		<b>6,642,338</b>	<b>6,153,957</b>
<b>Owners' equity</b>			
Authorized & paid capital		4,000,000	4,000,000
Statutory reserve		784,108	784,108
Fair value reserve	12	(105,473)	(97,731)
Accumulated (loss) at the end of the year		(574,190)	(574,190)
( Loss ) for the period		(818,715)	-
<b>Net owners' equity</b>		<b>3,285,730</b>	<b>4,112,187</b>
<b>Total owners' equity &amp; liabilities</b>		<b>9,928,068</b>	<b>10,266,144</b>

The accompanying notes form is an integral part of these statements

**Philadelphia Insurance co**  
**Public Shareholder company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Condensed interim consolidated statement of comprehensive income**  
**For the nine months ended at September 30, 2019**

Reviewed not audited

	Note	for the nine months ended		for the three months ended	
		30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018
		JD	JD	JD	JD
<b>Revenues</b>		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Total written premiums		5,801,408	6,415,672	2,077,073	2,255,307
Deduct: reinsurance share		(421,404)	(711,201)	(38,863)	(287,050)
<b>Net written premiums</b>		<b>5,380,004</b>	<b>5,704,471</b>	<b>2,038,210</b>	<b>1,968,257</b>
Net change in unearned premium provision		(226,952)	56,353	(70,989)	47,413
<b>Net earned premium income</b>		<b>5,153,052</b>	<b>5,760,824</b>	<b>1,967,221</b>	<b>2,015,670</b>
Commissions received		23,954	23,326	9,897	6,160
Issuance fees		181,050	172,197	71,099	53,714
Interests revenues		107,466	104,475	49,537	30,965
Gains (losses) from financial assets & investment:	13	2,513	2,794	(468)	(2,378)
Other revenues due to written accounts		114,595	170,087	8,514	21,503
Other revenues		585	2,141	585	136
<b>Total revenues</b>		<b>5,583,215</b>	<b>6,235,844</b>	<b>2,106,385</b>	<b>2,125,770</b>
<b>Cost of claims</b>					
Claims paid		(5,959,889)	(5,601,402)	(1,916,098)	(2,100,294)
Deduct: recoveries		83,683	148,528	8,808	27,665
Deduct: reinsurance share		450,919	437,002	161,522	244,014
<b>Net claims paid</b>		<b>(5,425,287)</b>	<b>(5,015,872)</b>	<b>(1,745,768)</b>	<b>(1,828,615)</b>
Net change in outstanding claims provision		212,094	128,955	(486,311)	104,287
Allocated employees expenses		(394,839)	(374,137)	(127,018)	(111,899)
Allocated administrative expenses		(160,755)	(229,051)	(50,056)	(71,038)
excess of loss		(175,428)	(160,585)	(90,773)	(105,968)
Acquisition policies fees		(311,169)	(256,394)	(75,429)	(83,117)
Other expenses due to written accounts		(465)	(494)	(105)	(232)
<b>Net claims</b>		<b>(6,255,849)</b>	<b>(5,907,578)</b>	<b>(2,575,460)</b>	<b>(2,096,582)</b>
administrative expenses		(40,189)	(57,263)	(12,514)	(17,434)
Employees expenses		(98,710)	(93,534)	(31,755)	(26,671)
Depreciation & amortization		(11,864)	(11,902)	(955)	(3,902)
Provision For impairment for debtor		(7,645)	9,358	(24,996)	34,358
<b>Total expenses</b>		<b>(6,414,257)</b>	<b>(6,060,919)</b>	<b>(2,645,680)</b>	<b>(2,110,231)</b>
<b>( Loss ) / Profit for the period before tax</b>		<b>(831,041)</b>	<b>174,925</b>	<b>(539,295)</b>	<b>15,539</b>
incomeTax	11	12,326	(37,196)	12,326	7,516
<b>( Loss ) / Profit for the period after tax</b>		<b>(818,715)</b>	<b>137,729</b>	<b>(526,969)</b>	<b>23,055</b>
<b>Basic and diluted( Loss ) per share</b>	14	<b>(0.205)</b>	<b>0.034</b>	<b>(0.132)</b>	<b>0.006</b>

The accompanying notes form is an integral part of these statements

**Philadelphia Insurance co**  
**Public Shareholder company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Follow - condensed interim consolidated statement of comprehensive income**  
**For the nine months ended September 30, 2019**

	<b>Reviewed not audited</b>			
	for the nine monthes ended		for the three monthes ended	
	30-Jun-2019	30-Jun-2018	30-Jun-2019	30-Jun-2018
	JD	JD	JD	JD
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
( Loss ) Profit for the period after tax	(818,715)	137,729	(526,969)	23,055
change in fair value for the financial assets through income statement	(7,742)	(72,536)	(6,406)	(39,987)
<b>Total comprehensive income for the period</b>	<b>(826,457)</b>	<b>65,193</b>	<b>(533,375)</b>	<b>(16,932)</b>
<b>Total</b>	<b>(826,457)</b>	<b>65,193</b>	<b>(533,375)</b>	<b>(16,932)</b>

**The accompanying notes form is an integral part of these statements**

**Philadelphia Insurance co**  
(P.S.C)  
**Amman - The Hashemite Kingdom Of Jordan**

**Condensed interim consolidated statement of change in owners' equity For the nine months ended September 30, 2019**

Description	Reviewed not audited							
	Capital	Statutory reserve	Fair value reserve	Realized	Unrealized	Accumulated (loss) at the end of the year	( loss ) Profit for the period	Net
	JD	JD	JD	JD	JD	JD	JD	JD
<b>For the nine months ended September 30, 2019</b>								
Balance as of January 1, 2019 ( Audited )	4,000,000	784,108	(97,731)	(1,087)	(573,103)	(574,190)	-	4,112,187
( Loss ) for the period	-	-	-	-	-	-	(818,715)	(818,715)
Fair value reserve	-	-	(7,742)	-	-	-	-	(7,742)
Balance as of September 30, 2019 ( Reviewed)	4,000,000	784,108	(105,473)	(1,087)	(573,103)	(574,190)	(818,715)	3,285,730
<b>For the nine months ended September 30, 2018</b>								
Balance as of January 1, 2018 ( Audited )	4,000,000	784,108	(354)	3,403	(242,648)	(239,245)	-	4,544,509
Impact of the application of IFRS 9	-	-	-	(112,273)	-	(112,273)	-	(112,273)
Adjusted opening Balance	4,000,000	784,108	(354)	(108,870)	(242,648)	(351,518)	-	4,432,236
Profit for the period	-	-	-	-	-	-	137,729	137,729
Fair value reserve	-	-	(72,536)	-	-	-	-	(72,536)
Balance as of September 30, 2018 ( Reviewed)	4,000,000	784,108	(72,890)	(108,870)	(242,648)	(351,518)	137,729	4,497,429

The accompanying notes form is an integral part of these statements



**Philadelphia Insurance co  
(P.S.C)  
Amman - The Hashemite Kingdom Of Jordan**

**Condensed interim consolidated statement of cash flows  
For the nine months ended September 30, 2019**

**Reviewed not audited**

	<u>Note</u>	<u>30-Sep-2019</u>	<u>30-Sep-2018</u>
		JD	JD
<b><u>Cash flows from operating activities</u></b>		<b>(Reviewed)</b>	<b>(Reviewed)</b>
( Loss ) / profit for the period before tax		(831,041)	174,925
<b><u>Adjustment:</u></b>			
Depreciation		11,864	11,902
Net change in unearned premium provision		226,952	(56,353)
Net change in outstanding claims provision		(212,094)	(128,955)
Change in provision for doubtful debts		7,670	(9,358)
Change in fair value for financial assets at fair value through income statement		1,916	4,287
<b>Operating income (loss) Profit before changes in working capital</b>		<b>(794,733)</b>	<b>(3,552)</b>
<b><u>Changes in assets &amp; liabilities</u></b>			
Change in Notes receivable & cheques under collection		(27,416)	(82,016)
Change in Accounts receivable		137,322	(466,760)
Change in Due from other reinsurers		(358,398)	326,283
Change in Other assets		(37,165)	(33,285)
Change in Accounts payable		(99,763)	(112,838)
Change in Accrued expenses		(28,333)	14,375
Change in Due to other reinsurers		(74,983)	152,660
Change in Other liabilities		676,603	384,864
<b>Net cash flows (used in) provided from operating activities Before paid tax</b>		<b>(606,866)</b>	<b>179,731</b>
Paid tax		-	(42,097)
<b>Net cash flows provided (used in) Provided from operating activities</b>		<b>(606,866)</b>	<b>137,634</b>
<b><u>Cash flows from investing activities</u></b>			
Acquisitions of property , plant & equipments		(4,950)	(5,613)
Acquisitions of intangible assets		-	(750)
<b>Net cash flows (used In) investing activities</b>		<b>(4,950)</b>	<b>(6,363)</b>
<b>Net (dcrease) increas in cash</b>		<b>(611,816)</b>	<b>131,271</b>
Cash on hand and at banks at beginning of period		6,418,064	6,864,507
<b>Cash on hand and at banks at end of period</b>	15	<b>5,806,248</b>	<b>6,995,778</b>

**The accompanying notes form is an integral part of these statements**

## Philadelphia Insurance co

## Public Shareholder company

## Amman - The Hashemite Kingdom Of Jordan

## Condensed interim Consolidated General Insurance Underwriting Revenue For the nine months ended September 30, 2019 ( Reviewed not audited )

Description	Motor		Marine & transport		Liability		Fire & other damage to property		Medical		Other Branches		Total
	JD	30-Sep-2018	JD	30-Sep-2019	JD	30-Sep-2018	JD	30-Sep-2019	JD	30-Sep-2018	JD	30-Sep-2019	
	30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	
<u>Written premiums</u>													
Direct insurance	5,375,409	4,936,709	3,229	6,982	5,300	2,790	67,461	64,513	343,763	510,385	6,246	7,492	5,801,408
Reinsurance inward business	-	886,801	-	-	-	-	-	-	-	-	-	-	886,801
Total premiums	5,375,409	5,823,510	3,229	6,982	5,300	2,790	67,461	64,513	343,763	510,385	6,246	7,492	5,801,408
<u>Less:</u>													
Local reinsurer share	353,444	643,011	-	-	-	-	-	-	-	-	-	-	353,444
Foreign reinsurer share	-	-	2,820	5,776	-	-	60,572	59,863	-	-	4,568	2,551	67,960
Net written premiums	5,021,965	5,180,499	409	1,206	5,300	2,790	6,889	4,650	343,763	510,385	1,678	4,941	5,380,004
<u>Add : Balance at beginning of the year</u>													
Unearned premiums reserve	2,579,733	2,950,391	671	3,962	2,120	1,573	67,628	43,361	221,863	501,630	4,573	3,225	2,876,588
Un expired risks reserve	258,526	143,730	525	3,239	-	-	62,174	39,178	-	-	2,379	1,092	323,604
Net unearned premium reserve	2,321,207	2,806,661	146	723	2,120	1,573	5,454	4,183	221,863	501,630	2,194	2,133	2,552,984
<u>Less : Balance at ending of the year</u>													
Unearned premiums reserve	2,840,169	3,206,481	1,110	1,361	2,021	1,230	51,227	43,497	189,917	315,979	4,100	3,804	3,088,544
Un expired risks reserve	257,808	270,079	1,004	1,102	-	-	47,353	39,094	-	-	2,443	1,527	308,608
Net unearned premium reserve	2,582,361	2,936,402	106	259	2,021	1,230	3,874	4,403	189,917	315,979	1,657	2,277	2,779,936
Change in Unearned premiums reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Net earned revenue from written premiums	4,760,811	5,050,758	449	1,670	5,399	3,133	8,469	4,430	375,709	696,036	2,215	4,797	5,153,052

Public Shareholder company  
Amman - The Hashemite Kingdom Of Jordan

Condensed interim consolidated statement of general insurance cost of claims For the nine months ended September 30, 2019 ( Reviewed not audited)

Discription	Motor		Marine & transport		Liability		Fire & other damage to property		Medical		Other Branches		Total	
	JD	30-Sep-2019	JD	30-Sep-2019	JD	30-Sep-2019	JD	30-Sep-2019	JD	30-Sep-2019	JD	30-Sep-2019	JD	30-Sep-2019
	30-Sep-2018	30-Sep-2018	30-Sep-2018	30-Sep-2018	30-Sep-2018	30-Sep-2018	30-Sep-2018	30-Sep-2018	30-Sep-2018	30-Sep-2018	30-Sep-2018	30-Sep-2018	30-Sep-2018	30-Sep-2018
<u>claims</u>														
Paid claims	5,448,793	4,996,682	526	-	-	-	74,434	60,256	436,136	544,464	-	-	5,959,889	5,601,402
Less:														
Recoveries	59,864	124,549	-	-	-	-	-	-	23,818	23,979	-	-	83,683	148,528
Reinsurer share	275,858	234,788	-	-	-	-	-	-	-	-	-	-	275,858	234,788
Foreign reinsurer share	111,781	147,822	394	-	-	-	62,886	54,392	-	-	-	-	175,061	202,214
Net paid claims	5,001,290	4,489,523	132	-	-	-	11,548	5,864	412,317	520,485	-	-	5,425,287	5,015,872
Add:														
<u>Outstanding claims reserve at end of the year</u>														
RCR	4,586,583	4,581,731	27,028	28,278	883	1,313	392,909	213,495	94,857	24,933	426	426	5,102,685	4,850,176
IBNER	844,947	704,166	138	2,703	60	271	11,284	8,851	34,919	30,953	-	-	891,348	746,944
Less:														
Reinsurer share	2,286,478	1,807,821	20,622	21,560	-	-	345,737	177,452	-	-	298	298	2,653,135	2,007,131
Recoveries	1,380,154	1,643,435	-	-	-	-	-	-	-	-	-	-	1,380,154	1,643,435
Net reported outstanding claims reserve at end of the year	1,764,898	1,834,641	6,544	9,421	943	1,584	58,456	44,894	129,776	55,886	128	128	1,960,744	1,946,554
Less:														
<u>Outstanding Claims Reserve At Beginning Of The Year</u>														
RCR	4,852,136	4,082,708	27,028	27,028	1,413	2,280	414,366	151,316	25,704	21,786	426	426	5,321,073	4,285,544
IBNER	844,947	704,166	138	2,703	60	271	11,284	8,851	111,736	53,219	-	-	968,165	769,210
Less:														
Reinsurer share	2,529,102	1,580,490	20,622	20,622	-	-	363,387	138,629	-	-	298	298	2,913,409	1,740,039
Recoveries	1,202,990	1,239,206	-	-	-	-	-	-	-	-	-	-	1,202,990	1,239,206
Net Unreported Outstanding Claims Reserve At Beginning Of The Year	1,964,991	1,967,178	6,544	9,109	1,473	2,551	62,263	21,538	137,440	75,005	128	128	2,172,839	2,075,509
Net claims cost	4,801,197	4,356,986	132	312	(531)	(967)	7,741	29,220	404,653	501,366	-	-	5,213,192	4,886,917

Philadelphia Insurance co  
Public Shareholder company

Amman - The Hashemite Kingdom Of Jordan

Condensed interim consolidated statement of general insurance underwriting profit For the nine months ended September 30, 2019 (Reviewed not audited)

Description	Motor		Marine & transport		Liability		Fire & other damage to property		Medical		Other Branches		Total	
	30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018
Net earned revenue from written premiums	4,760,811	5,050,758	449	1,670	5,399	3,133	8,469	4,430	375,709	696,036	2,215	4,797	5,153,052	5,760,824
Less :														
Net claims cost	4,801,197	4,356,986	132	312	(531)	(967)	7,741	29,220	404,653	501,366	-	-	5,213,192	4,886,917
Add:														
Commissions received	74	7	1,052	2,400	-	-	19,860	19,971	-	-	2,968	948	23,954	23,326
Insurance policies issuance fees	127,006	132,960	239	241	606	336	13,102	7,458	35,691	30,337	4,406	865	181,050	172,197
Other revenues	-	-	-	-	-	-	-	-	114,595	170,067	-	20	114,595	170,087
Net revenues	86,694	826,739	1,608	3,999	6,536	4,436	33,690	2,639	121,342	395,074	9,589	6,630	259,459	1,239,517
Less:														
Commissions paid	182,676	193,854	198	30	26	-	3,068	1,852	125,094	60,604	108	54	311,169	256,394
Excess of loss premiums	175,428	160,585	-	-	-	-	-	-	-	-	-	-	175,428	160,585
Allocated general & administrative expenses	514,796	547,514	309	656	508	262	6,461	6,065	32,922	47,987	598	704	555,594	603,188
Other allocated expenses	-	-	35	34	-	-	285	432	-	-	145	28	464	494
Total expenses	872,900	901,953	541	720	534	262	9,814	8,349	158,016	108,591	851	786	1,042,656	1,020,661
Underwriting profit (loss)	(786,206)	75,214	1,067	3,279	6,002	4,174	23,876	5,710	(36,674)	286,483	8,738	5,844	(783,197)	218,856

**Philadelphia Insurance co**  
**Public Shareholder company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Notes to condensed interim consolidated financial statements - reviewed not audited**

**1- Establishment of the company**

**Philadelphia Insurance Company** was established & registered as a public shareholding company in the Ministry of Industry & Trade under number (141) on the year 1980 . With an authorized capital of JD 4,000,000 Divided into 4,000,000 shares worth one JD share

**The aim of the company is to:**

The company shall carry out all insurance activities and carry out financial operations that are related to the company's business Contributing to companies and banks, buying and selling development bonds and owning movable and immovable property And the establishment of buildings necessary for its work The company has branches in Amman, Irbid and Zarqa

**The Condensed interim consolidated financial statements were approved by the board of directors at its meeting held on 30 October 2019 it is not subject to the approval of the General Assembly of Shareholders .**

**2- Basis of preparation of interim consolidated financial statements**

**General**

These condensed interim consolidated financial statements have been prepared in accordance with international accounting standards ((IFRS) IAS 34)(Interim Financial Reporting).

The condensed interim consolidated financial statements have been prepared on historical cost except financial assets and liabilities which appears on fair value.

These condensed interim consolidated financial statements do not include all the information required for a complete set of IFRS financial statements, However , selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's financial position and performance since the last annual report of financial statements as of December 31, 2018 , in addition, The results for the nine months period ended September 30, 2019 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2019

The condensed interim consolidated financial statements are presented in Jordanian Dinars (JOD) which is the company's presentation functional currency .

**\* Basis of consolidation of the financial statements**

The consolidated financial statements consist of condensed interim financial statement for the Subsidiary (Philadelphia for real estate and financial development ) After excluding transactions and balances between them

Name of the Company	Capital	Ownership	The nature of the company's business	Place of work
Philadelphia for real and financial development	250,000	100%	Real estate	Amman

The balances of the subsidiary as at 30 September 2019 were as follows:

Name of the Company	Assets	Liability	Revenue
Philadelphia for real and financial development	360,655	2,707	3,312

Control realized when company has ability of control the financial and operation policies for subsidiaries for obtained benefits from its activities . Transactions, balances, income and expenses are eliminated in full during the period between the Company and the subsidiary

**Philadelphia Insurance co**  
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**Notes to condensed interim consolidated financial statements - reviewed not audited**

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**\* Use of estimates**

The preparation of the interim financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions and particular, considerable judgement by management is required in the estimation of the amount and timing of future cash flows. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ, resulting in future change in such provisions

Management believe that the estimates are reasonable and are as follows :

applied according to the length of time past due, based on historical recovery rates.

Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits. Any impairment is taken to the statement of comprehensive income.

The company loads all administrative and general expenses and expenses of staff distributable for each branch insurance limit approximately 80% of the administrative expenses and expenses of non-staff for distribution to the various insurance departments on the basis of earned premiums for each circle attributed to the total premiums

**3- Significant accounting policies**

The preparation of interim condensed financial information requires to use of significant and specific accounting estimates It also requires management to use its own judgment in the process of applying accounting policies, The significant estimates and assumptions used in the preparation of the financial statements have been disclosed in note No. (2)

Accounting policies followed in condensed interim financial statements' preparation for this period are consistent with the policies followed the last year.

**Change in accounting policies**

During the period, the company applied the following adjusted standard and improvements on the (IFRS) Which takes effect for the periods start at January 1,2019

- ( IFRS 16 - Rents )
- Interpretations No (23) from Interpretations Committee for IFRS On uncertainties about tax treatment
- Adjustments on ( IFRS 9 ) Financial instruments, Advantages of prepayments with negative
- Adjustments on ( IFRS 28 ) Investments in associates and Joint ventures, Long-term quotas in Sister
- Adjustment on ( IFRS 19 ) Staff benefits, Modification or settlement of the plan
- Adjustment on different standards on the basis of the annual improvements on the IFRS 2015-2017

**The company does not expect to have to apply of new and revised IFRSs and improvements to IFRSs have no significant impact on the interim condensed financial statements**

**Philadelphia Insurance co**  
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**Amman - The Hashemite Kingdom Of Jordan**

**Notes to condensed interim consolidated financial statements - reviewed not audited**

**4- Deposits at banks**

This item consists of :

	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Deposits at banks	5,731,347	6,487,521
<b>Total</b>	<b><u>5,731,347</u></b>	<b><u>6,487,521</u></b>
Deposits are maturing within one month	3,090,156	2,479,444
Deposits maturing after one to three months	1,221,791	1,751,653
Deposits are due after more than three months and up to one year	1,419,400	2,256,424
	<b><u>5,731,347</u></b>	<b><u>6,487,521</u></b>

Interest rate on JD deposit at banks ranging between 2.5 % to 6 % and of USD deposits between 0.35% to 1.5% , it accrued quarterly, midterm and yearly

The mortgaged deposited upon request for general manager of Insurance Authority in addition to his job amounted of JD 225,000 as of September 30, 2019 and December 31,2018 at Arab bank

**5- Financial assets at fair value through income statement**

This item consists of :

	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
<b><u>Insid Jordan</u></b>		
Stocks Listed in Amman stock Exchange	13,256	15,172
<b>Total</b>	<b><u>13,256</u></b>	<b><u>15,172</u></b>

**6- Financial assets at fair value through other comprehensive income**

This item consists of :

	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
<b><u>Insid Jordan</u></b>		
Stocks Listed in Amman stock Exchange	401,180	408,922
<b>Total</b>	<b><u>401,180</u></b>	<b><u>408,922</u></b>

**Philadelphia Insurance co**  
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**Notes to condensed interim consolidated financial statements - reviewed not audited**

**7- Accounts receivable - net**

A. This item consists of :

	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Policies compaign receivable	1,847,494	1,978,173
Agents receivable	66,878	81,104
brokers receivables	4,780	4,780
Employees receivable	13,507	8,845
Board of Directors receivables	10,767	7,388
Suppliers receivables	2,910	3,368
<b>Total</b>	<b>1,946,336</b>	<b>2,083,658</b>
Deduct : Provision for receivable debts impairment	(576,979)	(516,606)
<b>Net</b>	<b>1,369,357</b>	<b>1,567,052</b>

B. **Transaction of provision for receivable debts impairment during the period represents of :**

	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
<b>Balance beginning of the period/year</b>	516,606	433,955
Effect of application of (IFRS No 9 )	-	78,500
<b>Adjusted opening Balance</b>	<b>516,606</b>	<b>512,455</b>
Additions for the period / year	60,373	4,151
<b>Balance ending of the period/year</b>	<b>576,979</b>	<b>516,606</b>

**8- Due from other reinsurers - net**

A. This item consists of :

	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Local insurance co. receivable	1,115,938	573,427
foreign reinsurers co. receivable	318,798	502,911
<b>Total</b>	<b>1,434,736</b>	<b>1,076,338</b>
Deduct : Provision for reinsurers debts impairment	(112,863)	(165,566)
<b>Net</b>	<b>1,321,873</b>	<b>910,772</b>

B. **Transaction of provision for reinsurers debts impairment during the period represents of :**

	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
<b>Balance beginning of the period/year</b>	165,566	123,150
Effect of application of (IFRS No 9 )	-	33,773
<b>Adjusted opening Balance</b>	<b>165,566</b>	<b>156,923</b>
Additions for the period / year	(52,703)	8,643
<b>Balance ending of the period / year</b>	<b>112,863</b>	<b>165,566</b>



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**Notes to condensed interim consolidated financial statements - reviewed not audited**

**9- Accounts payable**

This item consists of :

	<u>30-Sep-2019</u> JD (Reviewed)	<u>31-Dec-2018</u> JD (Audited)
Agents Payable	27,111	22,674
Employees Payable	656	340
brokers Payable	46,059	39,268
Trade payable	105,719	97,004
Medical network Payable	17,409	22,197
Garages payable	80,219	195,453
Board of Directors Payable	10,595	10,595
<b>Total</b>	<b><u>287,768</u></b>	<b><u>387,531</u></b>

**10- Due to other reinsurers**

This item consists of :

	<u>30-Sep-2019</u> JD (Reviewed)	<u>31-Dec-2018</u> JD (Audited)
Local insurance co. payable	327,621	255,040
Foreign reinsurers co. payable	40,346	187,910
<b>Total</b>	<b><u>367,967</u></b>	<b><u>442,950</u></b>

**11- Income tax**

A- This item consists of :

	<u>30-Sep-2019</u> JD (Reviewed)	<u>31-Dec-2018</u> JD (Audited)
<b>Balance beginning of the period / year</b>	<b>(2,931)</b>	<b>37,529</b>
Paid tax during the period / year	-	(37,529)
semi annual Paid tax during the period / year	-	(4,567)
Income tax for the period / year	-	1,636
<b>Balance ending of the period / year</b>	<b><u>(2,931)</u></b>	<b><u>(2,931)</u></b>

B- **Income tax appearing in the statement of income represents the following:**

	<u>30-Sep-2019</u> JD (Reviewed)	<u>31-Dec-2018</u> JD (Audited)
Income tax payable on profit for the period	-	1,636
<b>Balance ending of the period / year</b>	<b><u>-</u></b>	<b><u>1,636</u></b>

- The self-assessment for 2015,2016,2017 and 2018 was presented to the Income and Sales Tax Department within the specified period and has not yet been reviewed

- According to the management of the company, there is no need to create an income tax provision for the period ended 30 September 2019.

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**Notes to condensed interim consolidated financial statements - reviewed not audited**

**12- Fair value reserve**

This item consists of :

	30-Sep-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
<b>Balance beginning of the period/year</b>	(97,731)	(354)
<b>Net changes in fair value during the period / year</b>	(7,742)	(97,377)
<b>Balance ending of the period/year</b>	<b>(105,473)</b>	<b>(97,731)</b>

**3- Gains (losses) from financial assets & investments**

This item consists of :

	30-Sep-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Reviewed)
<b>Dividends profit</b>	4,429	7,082
<b>Change in fair value for financial assets through income statement</b>	(1,916)	(1,910)
<b>Total</b>	<b>2,513</b>	<b>5,172</b>

**14- Basic and diluted ( loss) earning per share**

(Loss) Profit per share is calculated by dividing the (loss) profit of the period by the weighted average number of shares during the year and its statement as follows:

	30-Sep-2019	30-Sep-2018
	JD	JD
	(Reviewed)	(Reviewed)
<b>( Loss ) Profit for the period</b>	(818,715)	137,729
<b>Weighted average shares (share)</b>	4,000,000	4,000,000
<b>Basic and diluted earning ( Loss ) per share</b>	<b>(0.205)</b>	<b>0.034</b>

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**Notes to condensed interim consolidated financial statements - reviewed not audited**

**15- Cash and cash equivalents**

This item consists of :

	30-Sep-2019	30-Sep-2018
	JD	JD
	<b>(Reviewed)</b>	<b>(Audited)</b>
Cash on hand and balances with banks	299,901	128,972
Deposits with banks	5,731,347	6,871,934
<b>Total</b>	<b>6,031,248</b>	<b>7,000,906</b>
deposited upon request for general manager of Insurance Authority	(225,000)	(225,000)
<b>Total</b>	<b>5,806,248</b>	<b>6,775,906</b>

**16- Related parties transactions**

Related parties include key shareholders , key management personnel , key managers , associates and

	30-Sep-2019	30-Sep-2018
	JD	JD
	<b>(Reviewed)</b>	<b>(Reviewed)</b>
Wages & other benefits	246,266	157,480
<b>Total</b>	<b>246,266</b>	<b>157,480</b>

**7- Analysis of Main sectors**

A. The company's activities include the general insurance sector, which includes vehicle insurance, marine insurance, transportation, fire insurance, property damage, liability insurance and general accidents

B. This sector is the basis used by the company to show information related to the main sector. The company operates mainly in the Hashemite Kingdom of Jordan and does not have any branches outside the Kingdom. The following is the distribution of the company's revenues and assets and capital expenditures by geographical sector

	30-Sep-2019	30-Sep-2018
	JD	JD
	<b>(Reviewed)</b>	<b>(Reviewed)</b>
Total of Revenue	5,583,215	6,235,844

	30-Jun-2019	31-Dec-2018
	JD	JD
	<b>(Reviewed)</b>	<b>(Audited)</b>
Total of Assets	9,928,068	10,266,144

**Philadelphia Insurance co**  
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**Notes to condensed interim consolidated financial statements - reviewed not audited**

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**18- Issues**

There are cases against the company to claim damages for accidents in the Jordanian courts as of September 30, 2019. According to the legal department, the company has not incurred any obligations exceeding the amounts allocated to it within the allocation of claims under settlement as of 30 September 2019.

**19- Contingent Liabilities**

At the date of financial statements there was contingent liabilities represented of Banks Guarantees with Amount 84,947 JD

**20- Subsequent events**

There are no subsequent events may have material affects to financial position .

**2- Comparative**

Certain comparative figures were reclassified to conform with the presentation of the current period , according to the instructions of Insurance Authority no. (2) for the year 2003 and to the decesion of Insurance Authority no. (8) for the year 2008